

# **AB 116**

## **Valley Transportation Authority Contracts**

### **Fact Sheet**

#### **PROBLEM**

---

Due to current Valley Transportation Authority (VTA), San Mateo County Transit District (SAMTRANS), Alameda-Contra Costa Transit District (AC Transit), and the Golden Gate Transportation District enabling statutes, these authorities are required to competitively bid for all purchases of materials, supplies and equipment that total a value of \$25,000 or more. However, in today's economy, this threshold is too low and these agencies are forced to use a resource-intensive, costly, and time-consuming formal competitive bidding process for small procurements of materials, supplies and equipment.

Furthermore, in general terms, related state procurement statutes need to be updated to be consistent with federal guidelines.

Comparable legislation has been enacted in recent years for the Bay Area Rapid Transit District (BART), the Los Angeles Metropolitan Transportation Authority (LA Metro), and the San Diego Metropolitan Transit System (MTS).

#### **THIS BILL**

---

AB 116 would increase the competitive bidding procurement threshold for VTA, SAMTRANS, AC Transit, and Golden Gate Transportation District for materials, supplies, and equipment from \$25,000 to \$100,000 to be consistent with federal guidelines.

To more closely align with federal procurement guidelines, this bill would also provide these authorities with the option to use either low bid or best value methods when utilizing the formal bidding process for these types of procurements that exceed \$100,000. In some cases, the lowest cost item may not ultimately provide the best value in terms of specialized procurements.

#### **STATUS/VOTES**

---

04/01/09 – Assembly Local Government:  
Do pass as amended: 7-0

#### **SUPPORT**

---

- Valley Transportation Authority (Co-Sponsor)
- San Mateo County Transit District (Co-Sponsor)
- Alameda-Contra Costa Transit District
- Golden Gate Bridge, Highway and Transportation District

#### **OPPOSITION**

---

- NONE ON FILE

**Prepared by:** Kim H. Tran (916.319.2024)  
**Version:** April 16, 2009